

September 1, 2006

HAND DELIVER & E-MAIL

Mary L. Cottrell, Secretary Department of Telecommunications and Energy One South Station Boston, Massachusetts 02110

Re: Annual Price Cap Mechanism ("PCM") Plan Rate Adjustment Filing

The Berkshire Gas Company, D.T.E. 06-46

Dear Secretary Cottrell:

Consistent with the Department's directives in D.T.E. 06-46, enclosed please find The Berkshire Gas Company's (the "Company") Rate Schedules M.D.T.E. 393 through M.D.T.E. 404 for effect on September 1, 2006. The Company has also included our letter of advice, and a check for the requisite filing fee.

Please contact Jennifer M. Boucher, the Company's Manager – Regulatory Economics, at 413/445-0353 or James M. Avery, the Company's counsel, at 617/856-8112, should you have any questions concerning this filing, or if you need further information to facilitate your review.

Thank you for your consideration.

Sincerely,

President, Treasurer and Chief Operating Officer

Enclosure

CC:

Kevin Brannelly, Director, Rates and Revenue Requirements Division (w/enc via hand delivery)

George Yiankos, Director, Gas Division (w/enc via hand delivery)

Andrea Saia, Esq., Hearing Officer (w/enc via hand delivery)

Jaime Toches, Esq., Assistant Attorney General (w/enc via hand delivery)

Robert Sydney, Esq., DOER General Counsel (w/enc)

Service List, D.T.E. 01-56 (w/enc)

Jennifer M. Boucher, Manager - Regulatory Economics (w/enc)

James Avery, Esq.

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September 1, 2006

HAND DELIVER & E-MAIL

Kevin Brannelly, Director of Rates and Revenue Requirements Division Department of Telecommunications and Energy One South Station Boston, Massachusetts 02110

Re: The Berkshire Gas Company, Advice Transmittal Letter

Dear Mr. Brannelly:

Pursuant to the directives of the Department's decision in <u>The Berkshire Gas Company</u>, D.T.E. 06-46, The Berkshire Gas Company is seeking approval from the Department for changes in its schedule of rates for effect September 1, 2006, including:

Residential Rate - Non-Heating Rate Classification No. R-1 - M.D.T.E. No. 393 Canceling M.D.T.E. No. 381

Residential Rate - Heating Rate Classification No. R-3 - M.D.T.E. No. 394 Canceling M.D.T.E. No. 382

Residential Low Income Rate - Non-Heating Rate Classification No. R-2 - M.D.T.E. No. 395 Canceling M.D.T.E. No. 383

Residential Low Income Rate - Heating Rate Classification No. R-4 - M.D.T.E. No. 396 Canceling M.D.T.E. No. 384

Gas Light Rate
Rate Classification No. L - M.D.T.E. No. 397
Canceling M.D.T.E. No. 385

Commercial and Industrial Service Rate (Low Annual Use, Low Load Factor)
Rate Classification No. G-41 - M.D.T.E. No. 398
Canceling M.D.T.E. No. 386





Kevin Brannelly, Director of Rates and Revenue Requirements Division Department of Telecommunications and Energy September 1, 2006 Page 2

- Commercial and Industrial Service Rate (Medium Annual Use, Low Load Factor)
 Rate Classification No. G-42 M.D.T.E. No. 399
 Canceling M.D.T.E. No. 387
- Commercial and Industrial Service Rate (Large Annual Use, Low Load Factor)
 Rate Classification No. G-43 M.D.T.E. No. 400
 Canceling M.D.T.E. No. 388
- Commercial and Industrial Service Rate (Low Annual Use, High Load Factor)
 Rate Classification No. G-51 M.D.T.E. No. 401
 Canceling M.D.T.E. No. 389
- Commercial and Industrial Service Rate (Medium Annual Use, High Load Factor)
 Rate Classification No. G-52 M.D.T.E. No. 402
 Canceling M.D.T.E. No. 390
- Commercial and Industrial Service Rate (Large Annual Use, High Load Factor)
 Rate Classification No. G-53 M.D.T.E. No. 403
 Canceling M.D.T.E. No. 391
- Commercial and Industrial Service Rate (Extra Large Usage, High Load Factor)
 Rate Classification No. T-54 M.D.T.E. No. 404
 Canceling M.D.T.E. No. 392

Thank you for your consideration.

Very truly yours,

Karen L. Zink

President, Treasurer and Chief Operating Officer

cc: Service List, D.T.E. 01-56

Jennifer M. Boucher, Manager - Regulatory Economics

James M. Avery, Esq.

COMMERCIAL & INDUSTRIAL SERVICE RATE (Low Annual Use, Low Load Factor)

AVAILABILITY

Service in accordance with this schedule is available to commercial, industrial and institutional customers who must have annual usage of between 0 Therms and 10,000 Therms and summer usage less than 30 percent of annual use as determined by Company records or procedures. Gas service provided under this rate is for the customer's exclusive use and not for resale. Summer usage is considered to be the months of May through October.

HEAT CONTENT

The gas supplied in accordance with this schedule shall have a heat content of not less than 967 British Thermal Units per cubic foot.

GENERAL SERVICE AND DISTRIBUTION RATE

November – April Monthly Service Charge	\$11.96	May – October Monthly Service Charge	\$11.96
First 90 Therms	\$0.6141/therm	First 90 Therms	\$0.6141/therm
Over 90 Therms	\$0.3596/therm	Over 90 Therms	\$0.3596/therm

STANDBY GENERATOR CHARGE

Standby generator service is available at \$0.50 per month per 100,000 Btu's of generating capacity. Any gas usage is billed at the above rates.

SUPPLIER CHARGES

If the customer purchases its gas from a third party, supply charges will be as agreed upon between the customer and the third party supplier (and may be billed directly by the third party supplier or through the Company as a separate item in the Company's distribution service bills to the customer). If the customer does not purchase its gas from a third party, it will receive Default Service from the Company and will pay the costs set forth in the Company's Seasonal Cost of Gas Adjustment Clause (CGAC) in effect from time to time and on file with the Massachusetts Department of Telecommunications and Energy (M.D.T.E.).

OTHER CHARGES FOR DISTRIBUTION SERVICE AND MINIMUM CHARGE

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Charge (LDAC) and Energy Conservation Service (ECS) filings, as in effect from time to time and on file with the M.D.T.E. The minimum charge per month shall be the sum of the Service Charge and the ECS charge.

THE BERKSHIRE GAS COMPANY Pittsfield, Massachusetts	M.D.T.E. No. 398 Cancels M.D.T.E. No. 386 Rate G-41	
Issued by: Karen L. Zink	Filed: September 1, 2006 Effective: September 1, 2006	

COMMERCIAL & INDUSTRIAL SERVICE RATE (Low Annual Use, Low Load Factor)

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

FARM DISCOUNT RIDER

A customer taking service under this rate may be eligible for the Company's Farm Discount Rider, as in effect from time to time.

Pittsfield, Massachusetts

M.D.T.E. No. 399 Cancels M.D.T.E. No. 387 Rate G-42 Page 1 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE (Medium Annual Use, Low Load Factor)

AVAILABILITY

Service in accordance with this schedule is available to commercial, industrial and institutional customers who must have annual usage of between 10,001 Therms and 60,000 Therms and summer usage less than 30 percent of annual use as determined by Company records or procedures. Gas service provided under this rate is for the customer's exclusive use and not for resale. Summer usage is considered to be the months of May through October.

HEAT CONTENT

The gas supplied in accordance with this schedule shall have a heat content of not less than 967 British Thermal Units per cubic foot.

GENERAL SERVICE AND DISTRIBUTION RATE

November - April

May - October

Monthly Service Charge

Monthly Service Charge

\$31.20

All Consumption

\$0.3716/therm

\$31.20

All Consumption

\$0.1407/therm

STANDBY GENERATOR CHARGE

Standby generator service is available at \$0.50 per month per 100,000 Btu's of generating capacity. Any gas usage is billed at the above rates.

SUPPLIER CHARGES

If the customer purchases its gas from a third party, supply charges will be as agreed upon between the customer and the third party supplier (and may be billed directly by the third party supplier or through the Company as a separate item in the Company's distribution service bills to the customer). If the customer does not purchase its gas from a third party, it will receive Default Service from the Company and will pay the costs set forth in the Company's Seasonal Cost of Gas Adjustment Clause (CGAC) in effect from time to time and on file with the Massachusetts Department of Telecommunications and Energy (M.D.T.E.).

Pittsfield, Massachusetts

M.D.T.E. No. 399 Cancels M.D.T.E. No. 387 Rate G-42 Page 2 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE (Medium Annual Use, Low Load Factor)

OTHER CHARGES FOR DISTRIBUTION SERVICE AND MINIMUM CHARGE

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Charge (LDAC) and Energy Conservation Service (ECS) filings, as in effect from time to time and on file with the M.D.T.E. The minimum charge per month shall be the sum of the Service Charge and the ECS charge.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

FARM DISCOUNT RIDER

A customer taking service under this rate may be eligible for the Company's Farm Discount Rider, as in effect from time to time.

Pittsfield, Massachusetts

M.D.T.E. No. 400 Cancels M.D.T.E. No. 388 Rate G-43 Page 1 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE (Large Annual Use, Low Load Factor)

AVAILABILITY

Service in accordance with this schedule is available to commercial, industrial and institutional customers who must have annual usage of greater than 60,000 Therms and summer usage less than 30 percent of annual use as determined by Company records or procedures. Gas service provided under this rate is for the customer's exclusive use and not for resale. Summer usage is considered to be the months of May to October.

HEAT CONTENT

The gas supplied in accordance with this schedule shall have a heat content of not less than 967 British Thermal Units per cubic foot.

GENERAL SERVICE AND DISTRIBUTION RATE

November - April May - October

Monthly Service Charge \$155.98 Monthly Service Charge \$155.98

All Consumption \$0.3019/therm All Consumption \$0.1147/therm

STANDBY GENERATOR CHARGE

Standby generator service is available at \$0.50 per month per 100,000 Btu's of generating capacity. Any gas usage is billed at the above rates.

SUPPLIER CHARGES

If the customer purchases its gas from a third party, supply charges will be as agreed upon between the customer and the third party supplier (and may be billed directly by the third party supplier or through the Company as a separate item in the Company's distribution service bills to the customer). If the customer does not purchase its gas from a third party, it will receive Default Service from the Company and will pay the costs set forth in the Company's Seasonal Cost of Gas Adjustment Clause (CGAC) in effect from time to time and on file with the Massachusetts Department of Telecommunications and Energy (M.D.T.E.).

Pittsfield, Massachusetts

M.D.T.E. No. 400 Cancels M.D.T.E. No. 388 Rate G-43 Page 2 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE (Large Annual Use, Low Load Factor)

OTHER CHARGES FOR DISTRIBUTION SERVICE AND MINIMUM CHARGE

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Charge (LDAC) and Energy Conservation Service (ECS) filings, as in effect from time to time and on file with the M.D.T.E. The minimum charge per month shall be the sum of the Service Charge and the ECS charge.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

FARM DISCOUNT RIDER

A customer taking service under this rate may be eligible for the Company's Farm Discount Rider, as in effect from time to time.

Pittsfield, Massachusetts

M.D.T.E. No. 401 Cancels M.D.T.E. No. 389 Rate G-51 Page 1 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE

(Low Annual Use, High Load Factor)

AVAILABILITY

Service in accordance with this schedule is available to commercial, industrial and institutional customers who must have annual usage of between 0 Therms and 10,000 Therms and summer usage greater than or equal to 30 percent of annual use as determined by Company records or procedures. Gas service provided under this rate is for the customer's exclusive use and not for resale. Summer usage is considered to be the months of May to October.

HEAT CONTENT

The gas supplied in accordance with this schedule shall have a heat content of not less than 967 British Thermal Units per cubic foot.

GENERAL SERVICE AND DISTRIBUTION RATE

November – April Monthly Service Charge	\$11.96	May – October Monthly Service Charge	\$11.96
First 100 Therms	\$0.6037/therm	First 100 Therms	\$0.6037/therm
Over 100 Therms	\$0.3535/therm	Over 100 Therms	\$0.3535/therm

STANDBY GENERATOR CHARGE

Standby generator service is available at \$0.50 per month per 100,000 Btu's of generating capacity. Any gas usage is billed at the above rates.

SUPPLIER CHARGES

If the customer purchases its gas from a third party, supply charges will be as agreed upon between the customer and the third party supplier (and may be billed directly by the third party supplier or through the Company as a separate item in the Company's distribution service bills to the customer). If the customer does not purchase its gas from a third party, it will receive Default Service from the Company and will pay the costs set forth in the Company's Seasonal Cost of Gas Adjustment Clause (CGAC) in effect from time to time and on file with the Massachusetts Department of Telecommunications and Energy (M.D.T.E.).

Issued by: Karen L. Zink	Filed:	September 1, 2006
•	Effective:	September 1, 2006

Pittsfield, Massachusetts

M.D.T.E. No. 401 Cancels M.D.T.E. No. 389 Rate G-51 Page 2 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE

(Low Annual Use, High Load Factor)

OTHER CHARGES FOR DISTRIBUTION SERVICE AND MINIMUM CHARGE

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Charge (LDAC) and Energy Conservation Service (ECS) filings, as in effect from time to time and on file with the M.D.T.E. The minimum charge per month shall be the sum of the Service Charge and the ECS charge.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

FARM DISCOUNT RIDER

A customer taking service under this rate may be eligible for the Company's Farm Discount Rider, as in effect from time to time.

THE BERKSHIRE GAS COMPANY		M.D.T.E. No. 402
Issued by: Karen L. Zink	Filed:	September 1, 2006
	Effective:	September 1, 2006

Page 1 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE (Medium Annual Use, High Load Factor)

<u>AVAILABILITY</u>

Service in accordance with this schedule is available to commercial, industrial and institutional customers who must have annual usage of between 10,001 Therms and 60,000 Therms and summer usage greater than or equal to 30 percent of annual use as determined by Company records or procedures. Gas service provided under this rate is for the customer's exclusive use and not for resale. Summer usage is considered to be the months of May through October.

HEAT CONTENT

The gas supplied in accordance with this schedule shall have a heat content of not less than 967 British Thermal Units per cubic foot.

GENERAL SERVICE AND DISTRIBUTION RATE

November -	April
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All Consumption

May - October

Monthly Service Charge

\$31,20 \$0,3694/therm Monthly Service Charge

\$31.20

All Consumption

\$0.1355/therm

STANDBY GENERATOR CHARGE

Standby generator service is available at \$0.50 per month per 100,000 Btu's of generating capacity. Any gas usage is billed at the above rates.

SUPPLIER CHARGES

If the customer purchases its gas from a third party, supply charges will be as agreed upon between the customer and the third party supplier (and may be billed directly by the third party supplier or through the Company as a separate item in the Company's distribution service bills to the customer). If the customer does not purchase its gas from a third party, it will receive Default Service from the Company and will pay the costs set forth in the Company's Seasonal Cost of Gas Adjustment Clause (CGAC) in effect from time to time and on file with the Massachusetts Department of Telecommunications and Energy (M.D.T.E.).

Pittsfield, Massachusetts

M.D.T.E. No. 402 Cancels M.D.T.E. No. 390 Rate G-52 Page 2 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE

(Medium Annual Use, High Load Factor)

OTHER CHARGES FOR DISTRIBUTION SERVICE AND MINIMUM CHARGE

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Charge (LDAC) and Energy Conservation Service (ECS) filings, as in effect from time to time and on file with the M.D.T.E. The minimum charge per month shall be the sum of the Service Charge and the ECS charge.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

FARM DISCOUNT RIDER

A customer taking service under this rate may be eligible for the Company's Farm Discount Rider, as in effect from time to time.

Pittsfield, Massachusetts

M.D.T.E. No. 403 Cancels M.D.T.E. No. 391

> Rate G-53 Page 1 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE (Large Annual Use, High Load Factor)

AVAILABILITY

Service in accordance with this schedule is available to commercial, industrial and institutional customers who must have annual usage of greater than 60,000 Therms and summer usage greater than or equal to 30 percent of annual use as determined by Company records or procedures. Gas service provided under this rate is for the customer's exclusive use and not for resale. Summer usage is considered to be the months of May to October.

HEAT CONTENT

The gas supplied in accordance with this schedule shall have a heat content of not less than 967 British Thermal Units per cubic foot.

GENERAL SERVICE AND DISTRIBUTION RATE

November - April

May - October

Monthly Service Charge

\$155.98

Monthly Service Charge

\$155,98

All Consumption

\$0,2707/therm

All Consumption

\$0.0835/therm

STANDBY GENERATOR CHARGE

Standby generator service is available at \$0.50 per month per 100,000 Btu's of generating capacity. Any gas usage is billed at the above rates.

SUPPLIER CHARGES

If the customer purchases its gas from a third party, supply charges will be as agreed upon between the customer and the third party supplier (and may be billed directly by the third party supplier or through the Company as a separate item in the Company's distribution service bills to the customer). If the customer does not purchase its gas from a third party, it will receive Default Service from the Company and will pay the costs set forth in the Company's Seasonal Cost of Gas Adjustment Clause (CGAC) in effect from time to time and on file with the Massachusetts Department of Telecommunications and Energy (M.D.T.E.).

Pittsfield, Massachusetts

M.D.T.E. No. 403 Cancels M.D.T.E. No. 391 Rate G-53 Page 2 of 2

COMMERCIAL & INDUSTRIAL SERVICE RATE (Large Annual Use, High Load Factor)

OTHER CHARGES FOR DISTRIBUTION SERVICE AND MINIMUM CHARGE

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Charge (LDAC) and Energy Conservation Service (ECS) filings, as in effect from time to time and on file with the M.D.T.E. The minimum charge per month shall be the sum of the Service Charge and the ECS charge.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

FARM DISCOUNT RIDER

A customer taking service under this rate may be eligible for the Company's Farm Discount Rider, as in effect from time to time.

Pittsfield, Massachusetts

M.D.T.E. No. 404 Cancels M.D.T.E. No. 392 Rate T-54 Page 1 of 1

COMMERCIAL & INDUSTRIAL SERVICE RATE

(Extra Large Usage, High Load Factor)

AVAILABILITY

Service under this rate is available to any Customer whose facilities are located within the Company's service territory, whose minimum throughput is 1,000 therms/day or greater, and/or who must have annual usage of greater than 1,000,000 therms and summer usage greater than or equal to 30% of annual use as determined by Company records or procedures. Service under this rate is only available to the extent that the Customer provides suitable volumes of gas and the Company has available delivery capacity.

HEAT CONTENT

The gas supplied in accordance with this schedule shall have a heat content of not less than 967 British Thermal Units per cubic foot.

GENERAL SERVICE AND DISTRIBUTION SERVICE RATE

Monthly Service Charge

\$327.56 per Delivery Point Per Month

Demand Charge \$/MDQ (Therm) Per Month:

November – April May – October \$4,2635 Per Winter MDQ \$2,2357 Per Summer MDQ

Monthly Volumetric Charge

\$0.0239 Per Therm

OTHER CHARGES/CREDITS

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), exclusive of the conservation charge ("CC"), as in effect from time to time and on file with Massachusetts Department of Telecommunications & Energy (M.D.T.E.). The minimum charge per month shall be the Service Charge plus the Demand Charge.

DETERMINATION OF MAXIMUM DAILY QUANTITY (MDQ)

The MDQ is updated annually by the Company based on the customers' prior year Winter and Summer usage. If no historical telemetering equipment readings are available, the MDQ will be set by the Company based on the customers' projected Winter season and Summer season usage.

TERMS AND CONDITIONS OF SERVICE

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.